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Washington, Thursday, January 20, 1938

PRESIDENT OF THE UNITED STATES.

NICOLET NATIONAL FOREST—WISCONSIN

By the President of the United States of America

A PROCLAMATION

WHEREAS certain lands within the exterior boundaries of the Nicolet National Forest, in the State of Wisconsin, have been acquired by the United States through the Farm Security Administration or its predecessors under authority of the National Industrial Recovery Act, approved June 16, 1933 (48 Stat. 195), and the Emergency Relief Appropriation Act of 1935, approved April 8, 1935 (49 Stat. 115); and

WHEREAS it appears that all of such lands are suitable for national-forest purposes and that it would be in the public interest to reserve such lands as part of the said Nicolet National Forest:

NOW, THEREFORE, I, FRANKLIN D. ROOSEVELT, President of the United States of America, under and by virtue of the power vested in me by section 24 of the act of March 3, 1891, 26 Stat. 1095, 1103, as amended (U. S. C., title 16, sec. 471), the act of June 4, 1897, 30 Stat. 34, 36 (U. S. C., title 16, sec. 473), the said National Industrial Recovery Act, and the said Emergency Relief Appropriation Act of 1935, do proclaim that all lands which have been acquired by the United States through the Farm Security Administration or its predecessors within the exterior boundaries of the said Nicolet National Forest under the authority of the said National Industrial Recovery Act and the said Emergency Relief Appropriation Act of 1935, are hereby included in and reserved as part of the said Nicolet National Forest.

IN WITNESS WHEREOF I have hereunto set my hand and caused the seal of the United States to be affixed.

DONE at the City of Washington, this 17'' day of January in the year of our Lord nineteen hundred and thirty-eight, and of the Independence of the United States of America the one hundred and sixty-second.

[SEAL]

FRANKLIN D ROOSEVELT

By the President:

CORDELL HULL
Secretary of State.

[No. 2269]

[F. R. Doc. 38-191; Filed, January 19, 1938; 12:04 p. m.]

HURON NATIONAL FOREST—MICHIGAN

By the President of the United States of America

A PROCLAMATION

WHEREAS certain lands within the exterior boundaries of the Huron National Forest, in the State of Michigan, have been acquired by the United States through the Farm Security Administration or its predecessors under authority of the Emergency Relief Appropriation Act of 1935, approved April 8, 1935 (49 Stat. 115); and

WHEREAS it appears all of such lands are suitable for national-forest purposes and that it would be in the public interest to reserve such lands as part of the said Huron National Forest:

NOW, THEREFORE, I, FRANKLIN D. ROOSEVELT, President of the United States of America, under and by virtue of the authority vested in me by section 24 of the act of March 3, 1891, 26 Stat. 1095, 1103, as amended (U. S. C., title 16, sec. 471), the act of June 4, 1897, 30 Stat. 34, 36 (U. S. C., title 16, sec. 473), and the said Emergency Relief Appropriation Act of 1935, do proclaim that all lands which have been acquired by the United States through the Farm Security Administration or its predecessors within the exterior boundaries of the said Huron National Forest under authority of the said Emergency Relief Appropriation Act of 1935 are hereby included in and reserved as part of the said Huron National Forest.

IN WITNESS WHEREOF I have hereunto set my hand and caused the seal of the United States to be affixed.

DONE at the City of Washington, this 17'' day of January in the year of our Lord nineteen hundred and thirty-eight, and of the Independence of the United States of America the one hundred and sixty-second.

[SEAL]

FRANKLIN D ROOSEVELT

By the President:

CORDELL HULL
Secretary of State.

[No. 2270]

[F. R. Doc. 38-192; Filed, January 19, 1938; 12:04 p. m.]

CHEQUAMEGON NATIONAL FOREST—WISCONSIN

By the President of the United States of America

A PROCLAMATION

WHEREAS certain lands within the exterior boundaries of the Chequamegon National Forest, in the State of Wisconsin, have been acquired by the United States through the Farm Security Administration or its predecessors under authority of the National Industrial Recovery Act, approved June 16, 1933 (48 Stat. 195), and the Emergency Relief Appropriation Act of 1935, approved April 8, 1935 (49 Stat. 115); and

WHEREAS it appears that all such lands are suitable for national-forest purposes and that it would be in the public interest to reserve such lands as part of the said Chequamegon National Forest:

NOW, THEREFORE, I, FRANKLIN D. ROOSEVELT, President of the United States of America, under and by virtue of the power vested in me by section 24 of the act of March 3, 1891, 26 Stat. 1095, 1103, as amended (U. S. C.,

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title 16, sec. 471), the act of June 4, 1897, 30 Stat. 34, 36 (U. S. C., title 16, sec. 473), the said National Industrial Recovery Act, and the said Emergency Relief Appropriation Act of 1935, do proclaim that all lands which have been acquired by the United States through the Farm Security Administration or its predecessors within the external boundaries of the said Chequamegon National Forest under authority of the said National Industrial Recovery Act and the said Emergency Relief Appropriation Act of 1935 are hereby included in and reserved as part of the Chequamegon National Forest.

IN WITNESS WHEREOF I have hereunto set my hand and caused the seal of the United States to be affixed.

DONE at the City of Washington, this 17" day of January in the year of our Lord nineteen hundred and thirty-
[SEAL] eight, and of the Independence of the United States of America the one hundred and sixty-second.

FRANKLIN D ROOSEVELT

By the President:
CORDELL HULL
Secretary of State.

[No. 2271]

[F. R. Doc. 38-193; Filed, January 19, 1938; 12:04 p. m.]

DEPARTMENT OF AGRICULTURE.

Agricultural Adjustment Administration.

NOTICE OF RE-OPENING OF HEARING HELD ON DECEMBER 8, 1937, AND NOTICE OF HEARING WITH RESPECT TO AMENDMENT TO PROPOSED MARKETING AGREEMENT AND ORDER REGULATING HANDLING OF MILK IN ST. LOUIS, MISSOURI, MARKETING AREA

Whereas pursuant to Public Act No. 10, 73rd Congress, as amended and as reenacted and further amended by the Agricultural Marketing Agreement Act of 1937, the Secretary of Agriculture held a public hearing at St. Louis, Missouri, on the 8th day of December 1937,[1] in connection with a proposed marketing agreement and a proposed order regulating the handling of milk in the St. Louis, Missouri, Marketing Area, which public hearing was adjourned by the presiding officer subject to being re-opened by the Secretary; and

Whereas the Secretary has determined to re-open said hearing for the purpose of receiving additional evidence as to general economic conditions which may necessitate regulation in order to effectuate the declared policy of the act and as to the specific provisions which a marketing agreement and order should contain; and

Whereas an amendment has been proposed to the aforementioned marketing agreement and order, which amendment would amend article I, section 1, subsection 2, by including in definition of "St. Louis Marketing Area" the cities of Kirkwood and Valley Park, Missouri, and the territory within the townships of Normandy, Clayton, and Jefferson, in St. Louis County, Missouri;

Now, therefore, notice is hereby given that the aforesaid hearing be re-opened on January 27, 1938, at 9:30 a. m., in the Roof Solarium, Chase Hotel, Lindell and Kingshighway, St. Louis, Missouri, for the purpose of receiving additional evidence as to general economic conditions in the marketing area and as to the specific provisions which a marketing agreement and order should contain, and, in addition, evidence concerning the proposed amendment set forth above.

It is hereby declared that an emergency exists in the handling of milk in the aforesaid area, and it is hereby determined that the period of notice of the re-opening of said hearing hereby given is reasonable under the circumstances.

[1] 2 F. R. 2937 (DI).

Copies of the proposed marketing agreement and proposed order may be inspected in or procured from the Hearing Clerk, Office of the Solicitor, Room 0318, South Building, United States Department of Agriculture, Washington, D. C.

[SEAL] H. A. WALLACE,
Secretary of Agriculture.

Dated: January 18, 1938.

[F. R. Doc. 38-188; Filed, January 19,1938; 9:25 a. m.]

DEPARTMENT OF COMMERCE.

Bureau of Air Commerce.

AMENDMENT NO. 2 TO THE CIVIL AIR REGULATIONS

Pursuant to the authority contained in the Air Commerce Act of 1926 (44 Stat. 568) as amended by the Act of February 28, 1929 (45 Stat. 1404), the Act of June 19, 1934 (48 Stat. 1113), the Act of June 19, 1934 (48 Stat. 1116), and Sections 11 and 12 of the Act of June 12, 1934 (48 Stat. 933, 937), Paragraph 40.40 of the Civil Air Regulations approved to take effect November 1, 1937,[1] is amended to read as follows:

"40.40. *Provision for issuance.*—An airline competency certificate will be issued by the Secretary to an applicant after approval of application made and proofs submitted in connection therewith and if, upon inspection and examination, said applicant is found by the Secretary to meet the general requirements prescribed in CAR 40.1 and the appropriate particular minimum requirements prescribed in CAR 40.2 or 40.3 and is, therefore rated as competent to engage in interstate air commerce for the carriage of mail, goods, or passengers, in scheduled operation as specified in the certificate or appended competency letters (provided for in CAR 40.5). Airlines conducting authorized operations shall have until and including March 31, 1938, to apply for an airline certificate as provided for in CAR 40.41. In the interim and until the issuance or denial of an airline certificate, operations shall be conducted under authority heretofore granted or subsequently amended, unless such authority is sooner suspended or revoked. Any airline which heretofore has proven its competency for safe operation shall be entitled presumptively to the airline certificate so applied for."

Approved, to take effect January 20, 1938

[SEAL] DANIEL C. ROPER,
Secretary of Commerce.

[F. R. Doc. 38-190; Filed, January 19, 1938; 9:50 a. m.]

COMMODITY CREDIT CORPORATION.

[1937-38 C. C. C. Corn Form 1 [2]]

INSTRUCTIONS CONCERNING THE MAKING OF CORN LOANS BY COMMODITY CREDIT CORPORATION

Commodity Credit Corporation, upon the request of the Secretary of Agriculture, has obtained a commitment from the Reconstruction Finance Corporation for the purpose of enabling the Commodity Credit Corporation to make loans to, and/or purchase paper of, producers of corn, secured by pledge or mortgage of corn stored and sealed on the farm. These instructions state the requirements with reference to making such loans and the purchase of such paper.

1. *Definitions.*—As used in these instructions and in the note and loan agreement relating thereto, unless the context requires otherwise, the following terms will be construed to mean—

(*a*) *Eligible producer.*—Any person, partnership, association, or corporation producing or acquiring corn, either as landowner, landlord, or tenant, who has received or will receive a grant payment in connection with his participation in the 1937 Agricultural Conservation Program.

(*b*) *Eligible corn.*—Merchantable field corn, husked and in the ear, containing not more than 20½ percent moisture [1] on the basis of a sample taken from each crib of corn offered to be sealed (each sample to be representative of the entire quantity of corn in the crib from which the sample is obtained) which was produced in 1937 by an "eligible producer" on a farm in the areas hereinafter named.

(1) the beneficial title to which is and always has been in the eligible producer; or

(2) purchased by one eligible producer from another eligible producer who has executed the certificate of the seller which is a part of the 1937-38 CCC Corn Form A.

(*c*) *Eligible crib.*—

Foundation.—Substantial enough to bear the load of corn and crib without the possibility of its settling to an extent which might cause the crib to warp and break open. Floor.—Strongly constructed and high enough above the ground level to facilitate ventilation and afford protection against damage to the stored corn from moisture and rodents.

Walls.—Slatted, cribbed, or ventilated on both sides beginning at the floor line. Width.—Narrow enough to afford ample cross ventilation to dry out the corn under the prevailing climatic conditions of the locality where the crib is located. Roof.—Tight and substantial enough to protect the corn against prevalent weather conditions for a period of 2 years. Structure.—Studs, joists, braces, and cross ties of sufficient dimension and frequency to withstand any ordinary breaking pressures. Sealing structure.—The crib must be completely and securely enclosed, and sealed in such a manner as to require a forceful breaking to make entry into the crib.

(*d*) *Lending agency.*—Any bank, cooperative marketing association, or other corporation, partnership, or person lending money upon the 1937-38 CCC Corn Form A which has executed the Contract to Purchase on 1937-38 CCC Corn Form D. (A loan agency of the Reconstruction Finance Corporation is not included within this definition.)

(*e*) *Eligible paper.*—Notes of producers with loan agreements upon 1937-38 CCC Corn Form A, or any form hereafter approved by Commodity Credit Corporation executed on a date subsequent to December 1, 1937, and prior to April 1, 1938, together with supporting documents herein specified. Notes tendered for purchase by lending agencies in the State of Indiana, wherein the original payee is *not* a bank, trust company, building and loan association, rural loan and savings association, guaranty loan and savings association, or insurance company or association, to be acceptable must have affixed thereto stamps evidencing the payment of taxes as provided in Chapter 81, Acts Indiana General Assembly, 1933, as amended.

2. *Areas in which loans will be made.*—Loans will be made pursuant to these instructions in the following counties of the following States:

Illinois.—All counties.

Indiana.—All counties except Brown, Crawford, Jefferson, Ohio, Perry, Scott, Switzerland.

Iowa.—All counties.

Kansas.—Anderson, Atchison, Brown, Cheyenne, Clay, Cloud, Coffey, Decatur, Doniphan, Douglas, Franklin, Geary, Graham, Jackson, Jefferson, Jewell, Johnson, Leavenworth, Linn, Lyon, Marshall, Miami, Morris, Morton, Nemaha, Osage, Phillips, Pottawatomie, Rawlins, Re-

[1] 2 F. R. 2377 (DI).
[2] For use only in eligible States having Farm Storage Acts.

[1] Moisture tests for determining moisture content are to be made by electric testing machines in State Agricultural Conservation Offices in accordance with methods prescribed for this purpose in the Official Grain Standards Manual.

public, Riley, Shawnee, Sherman, Smith, Wabaunsee, Washington, Wyandotte.

Minnesota.—Anoka, Big Stone, Blue Earth, Brown, Carver, Chippewa, Cottonwood, Dakota, Dodge, Faribault, Fillmore, Freeborn, Goodhue, Grant, Hennepin, Houston, Jackson, Kandiyohi, Lac Qui Parle, Le Sueur, Lincoln, Lyon, McLeod, Martin, Meeker, Mower, Murray, Nicollet, Nobles, Olmsted, Pipestone, Pope, Redwood, Renville, Rice, Rook, Scott, Sherburne, Sibley, Steele, Stevens, Swift, Traverse, Wabasha, Waseca, Washington, Watonwan, Winona, Wright, Yellow Medicine.

Missouri.—Adair, Andrew, Atchison, Audrain, Barton, Bates, Benton, Boone, Buchanan, Caldwell, Callaway, Carroll, Cass, Cedar, Chariton, Clark, Clay, Clinton, Cole, Cooper, Dade, Daviess, De Kalb, Franklin, Gasconade, Gentry, Grundry, Harrison, Henry, Holt, Howard, Jackson, Jasper, Johnson, Knox, Lafayette, Lewis, Lincoln, Linn, Livingston, Macon, Marion, Mercer, Moniteau, Monroe, Montgomery, Morgan, Nodaway, Pettis, Pike, Platte, Putnam, Ralls, Randolph, Ray, St. Charles, St. Clair, St. Louis, Saline, Schuyler, Scotland, Shelby, Sullivan, Vernon, Warren, Worth.

Nebraska.—Adams, Antelope, Boone, Boyd, Buffalo, Burt, Butler, Cass, Cedar, Chase, Clay, Colfax, Cuming, Custer, Dakota, Dawson, Dixon, Dodge, Douglas, Dundy, Fillmore, Franklin, Frontier, Furnas, Gage, Gosper, Greeley, Hall, Hamilton, Harlan, Hayes, Hitchcock, Holt, Howard, Jefferson, Johnson, Kearney, Keith, Knox, Lancaster, Lincoln, Madison, Merrick, Nance, Nemaha, Nuckells, Otoe, Pawnee, Perkins, Phelps, Pierce, Platte, Polk, Redwillow, Richardson, Saline, Sarpy, Saunders, Seward, Sherman, Stanton, Thayer, Thurston, Valley, Washington, Wayne, Webster, Wheeler, York.

Ohio.—Adams, Allen, Ashland, Auglaize, Brown, Butler, Champaign, Clark, Clermont, Clinton, Coshocton, Crawford, Darke, Defiance, Delaware, Erie, Fairfield, Fayette, Franklin, Fulton, Greene, Hamilton, Hancock, Hardin, Henry, Highland, Holmes, Huron, Jackson, Knox, Logan, Lorain, Lucas, Madison, Marion, Mercer, Miami, Montgomery, Morrow, Muskingum, Ottawa, Paulding, Perry, Pickaway, Pike, Preble, Putnam, Richland, Ross, Sandusky, Scioto, Seneca, Shelby, Union, Van Wert, Warren, Williams, Wood, Wyandot.

South Dakota.—Bon Homme, Brookings, Charles Mix, Clay, Davison, Deuel, Douglas, Grant, Hanson, Hutchinson, Kingsbury, Lake, Lincoln, McCook, Miner, Minnehaha, Moody, Roberts, Sanborn, Turner, Union, Yankton.

Wisconsin.—Columbia, Dane, Dodge, Fond du Lac, Grant, Green, Green Lake, Iowa, Jefferson, Kenosha, Lafayette, Racine, Rock, Sauk, Walworth, Washington, Winnebago.

3. *Documents required.*—The following documents must be delivered in connection with every loan made or purchased by the Commodity Credit Corporation. The forms are identified and no reprints or substitutes may be used.

(*a*) Note of producer (1937–38 CCC Corn Form A).

(*b*) Loan Agreement (1937–38 CCC Corn Form A).

(*c*) Original and duplicate producer's Letter of Transmittal (1937–38 CCC Corn Form B), or lending agency's Letter of Transmittal (1937–38 CCC Corn Form C), whichever is appropriate.

(*d*) Farm Warehouse Certificates issued subsequent to December 1, 1937, under authority of the farm storage warehouse laws of States hereinbefore named.

(*e*) Insurance Certificate in form printed at the end of these instructions or in form containing identical terms and conditions, except that hail coverage may be excluded.

4. *Source and preparation of documents.*—With the exception of the farm warehouse certificates, which will be issued by authorized State sealers, forms may be obtained from any County Agricultural Conservation Committee, in the counties listed in Section 2 hereof, or any Loan Agency of the Reconstruction Finance Corporation listed in Section 16 hereof.

All blanks in 1937–38 CCC Corn Form A must be filled in with ink, typewriter, or indelible pencil and no documents containing additions, alterations, or erasures, will be accepted by the Commodity Credit Corporation. The white copy marked "Original" will be executed and the colored copy marked "Duplicate" will be retained by the producer.

The Corn Sealer's Work Sheet (1937–38 CCC Corn Form K) and the Moisture Test Form (1937–38 CCC Corn Form H) will be retained by the County Agricultural Conservation Committee. To be acceptable to Commodity Credit Corporation, the certificate contained in Section 15 of the note and loan agreement must be executed by the County Agricultural Conservation Committee.

5. *Farm warehouse certificates.*—These certificates must be in form approved by the State Warehouse Supervising Authority and the Commodity Credit Corporation. They must be issued by a sealer, or inspector, who is properly authorized by the State Warehouse Supervising Authority.

Each certificate must designate as a delivery point, a railroad loading station convenient to the producer or state that delivery will be made of the corn at a grain elevator or other point designated by the holder of the certificate, which is reasonably convenient to the producer for delivery purposes. All farm warehouse certificates and duplicates thereof must be assigned by all the parties to whom issued with a legend in substantially the following form:

"For value received the undersigned hereby endorses, assigns, transfers, and delivers to the holder of the original of this certificate the corn therein described as collateral security to any indebtedness due said holder."

A duplicate copy of the certificate after assignment must be filed for record with the respective local or county officials as follows:

In all of the States listed in Section 2 hereof, the original certificate and duplicate marked "Duplicate Certificate, No Value," will be issued to the producer by the Sealer or Inspector, except in Minnesota and Nebraska, where they are issued by the Railroad and Warehouse Commission and the State Railway Commission, respectively.

To be acceptable to Commodity Credit Corporation, the original certificate must have stamped or printed thereon the receipt of the proper county official, stating that the duplicate thereof has been filed of record, as authorized by law, in the county in which the corn is stored.

In Kansas, Minnesota, South Dakota, and Wisconsin, the duplicate is to be filed with the Register of Deeds; in Iowa, Indiana, and Ohio, with the County Recorder; in Illinois and Missouri, with the Recorder of Deeds; and in Nebraska, with the County Clerk.

6. *Amount.*—Loans will be made at the rate of 50 cents per bushel, a bushel being determined by using not less than 2½ cubic feet of ear corn testing 14 percent in moisture content. A deduction will be made for moisture content in excess of 14 percent in accordance with the following table:

Moisture content:	*Deduction*
14% to 14½%	None.
14½% to 15½%	2%.
15½% to 16½%	4%.
16½% to 17½%	6%.
17½% to 18½%	8%.
18½% to 19½%	10%.
19½% to 20½%	12%.
20½% and above	No loan.

7. *Inspection and sealing of corn.*—Any eligible producer with eligible corn desiring to obtain a loan should first "level off" the corn contained in the crib(s) which he is offering as collateral and then completely enclose such crib(s). Completing this, he should arrange with the County Warehouse Board or Authorized State Sealer or Inspector for an inspection of his corn and crib(s). An inspection of the corn crib(s) and the corn contained therein will then be made. It shall be the sealer's duty to secure representative samples of

corn from each crib to be sealed, as well as to record on the Corn Sealer's Work Sheet (1937–38 CCC Corn Form K) pertinent information regarding the crib structure and crib measurements. One sample of corn from each crib to be placed under seal shall be submitted by the sealer to the County Agricultural Conservation Committee for the county in which the corn is stored for moisture-test purposes. The moisture content will be determined by the State Agricultural Conservation Committee through the use of Tag Heppenstall electric moisture meters, and the results of the tests will be submitted on the Moisture Test Form (1937–38 CCC Corn Form H) to the county committee submitting the sample.

The sealer, while on the premises, will complete the measurements, secure the representative sample(s) of corn, and seal the crib(s) of corn.

8. *Certificate of seller.*—The Certificate of Seller, as contained in 1937–38 CCC Corn Form A, must be executed by the seller of the corn in connection with all loans in which any part of the corn pledged was not grown by the producer but was purchased from another producer as outlined in part (2) of subsection (b) of Section 1 hereof.

9. *Liens.*—The corn collateral must be free and clear of all liens except in favor of the lienholders listed in the space provided therefor in 1937–38 CCC Corn Form A. The names of the holders of all existing liens on the pledged corn, such as landlord, laborers, or mortgagees, must be listed in the space provided therefor in Section 11 of the loan agreement.

Producers should read carefully all real estate or other mortgages previously given by them in order to be sure that crops are not covered thereby. A misrepresentation as to prior liens, or otherwise, will render the producer personally liable for the amount of the loan, plus insurance and other charges under the terms of the loan agreement. Any misrepresentation of fact made in the execution of the note and loan agreement and related forms will render the person or persons parties to the misrepresentation, subject to the provisions of th United States Criminal Code and section 16 (a) of the Reconstruction Finance Corporation Act.

10. *Landlord and tenant.*—Where the borrower is a tenant farmer, the expiration date of the lease must be given in Section 3 (c) of the loan agreement. If the expiration date of the lease is prior to sixty (60) days after the maturity date of the note, the landlord must execute the consent for storage agreement, Section 13 of 1937–38 CCC Corn Form A. The consent agreements must also be signed by any other party or parties entitled to possession.

11. *Insurance.*—All producers who obtain loans are required, at their own expense, to keep the corn collateral insured, so long as the loan is unpaid, against loss by fire, lightning, cyclone, tornado, windstorm, and with or without hail coverage, for not less than the amount of the loan with accrued interest to maturity. Producers must also obtain at their own expense any insurance coverage desired with respect to their equity in the pledged corn.

To comply with this requirement there must be attached to each producer's note a certificate in the form printed at the end of these instructions, issued by a company or association licensed to do business in the State in which the corn is stored. The insurance coverage may be obtained through the customary channels and the form of certificate required will be furnished by the agent writing same. Certificates of insurance issued by official State sealers or inspectors will not be accepted by the Commodity Credit Corporation.

Commodity Credit Corporation has obtained a blanket policy to protect it against loss on account of theft, conversion, and certain other risks not covered by the primary insurance carried by producers. The cost of this coverage is one and one-half (1½) cents per $100 per month on the daily average balance of loans outstanding, and this amount will be added as a charge against the corn while the note is held by Commodity Credit Corporation as provided under the terms of the loan agreement.

Banks and other lending agencies desirous of insurance coverage in addition to the primary insurance carried by the producer, until the notes are purchased by Commodity Credit Corporation, must obtain such coverage at their own expense. Such coverage may be obtained through the customary channels or under the blanket policy carried by the Commodity Credit Corporation.

Banks and other lending agencies desiring coverage under the Corporation's blanket policy should write Commodity Credit Corporation, Washington, D. C., and appropriate instructions will be issued, together with the necessary forms for reporting thereunder.

12. *Liability of producer.*—If the producer has made no misstatement or misrepresentation and complies with the terms of the loan agreement he will not be personally liable for any deficiency upon the sale of the pledged corn. The note and loan agreement governs the liability of the producer and should be read carefully.

13. *Direct loans.*—It is contemplated that producers will ordinarily obtain loans from a local bank or other lending agency which, in turn, may sell the paper evidencing such loans to Commodity Credit Corporation. Arrangements, however, have been made for making direct loans to producers. In such cases the note must be made payable to Commodity Credit Corporation and must be delivered to a Loan Agency of the Reconstruction Finance Corporation shown in Section 16 hereof. Paper for direct loans tendered by mail, in person, or otherwise, must be accompanied by a Producer's Letter of Transmittal on 1937–38 CCC Corn Form B, in duplicate, and must be delivered or postmarked prior to April 1, 1938. The triplicate copy of this letter is to be retained by the producer as a memorandum. Upon delivery of all necessary documents properly executed and upon approval of the loan by the Manager of the Loan Agency, payment will be made pursuant to the letter.

14. *Time and manner of loans and purchases.*—Commodity Credit Corporation will purchase eligible paper, as defined above, only from lending agencies which have executed and delivered to the Loan Agency to which notes are submitted Contract to Purchase 1937–38 CCC Corn Form D, obtainable only from Loan Agencies of the Reconstruction Finance Corporation. Under the terms of this contract, lending agencies are required to report monthly on 1937–38 CCC Corn Form E all payments or collections on producer's notes held by them, and to remit promptly to Commodity Credit Corporation at Washington, D. C., an amount equivalent to one and one-half percent interest per annum on the principal amount collected from the date of the note to the date of payment.

15. *Lending agency.*—The lending agency may endorse the notes of producers to Commodity Credit Corporation without recourse as provided in 1937–38 CCC Corn Form A, provided, however, that the lending agency has executed 1937–38 CCC Corn Form D in accordance with instructions given in subsection (d) of Section 1 hereof.

No producer's notes are to be endorsed to Reconstruction Finance Corporation. A lending agency desiring to tender producer's notes in Commodity Credit Corporation should execute the last form of endorsement printed on the reverse of such notes. Care should be exercised by the lending agency to determine the authenticity of the signatures to the note and loan agreement and to be assured that the warehouse certificates are genuine and represent merchantable corn in existence.

16. *Reconstruction Finance Corporation loan agencies.*—The location of the Loan Agencies of the Reconstruction Finance Corporation previously referred to herein are shown below:

Chicago, Ill.; Minneapolis, Minn.; Omaha, Nebr.; Cleveland, Ohio; Kansas City, Mo.; St. Louis, Mo.

17. *Federal Reserve banks.*—The Federal Reserve banks and branches thereof will act as fiscal agents of the Reconstruction Finance Corporation in making disbursements on eligible paper approved by the Loan Agency of the Reconstruction Finance Corporation in that district. Such notes,

together with the farm warehouse certificates securing the same, will be held by the Federal Reserve banks or branches thereof as security for the loans made by the Reconstruction Finance Corporation to Commodity Credit Corporation.

18. *Release of collateral held by Commodity Credit Corporation.*—A producer may obtain the release of the collateral pledged upon his request in writing and payment of the amount due thereon with accrued interest and proper charges. If the release of all collateral is desired the producer's note and loan agreement, with the farm warehouse certificate or certificates securing same, will be transmitted to an approved bank with instructions to deliver the note and the farm warehouse certificate, or certificates, to the producer, or his agent, upon the payment of the amount due thereon with accrued interest and proper charges. Where such paper is sent to an approved bank for collection instructions will be given to return such paper to the sender if payment and release are not effected within fifteen days. All charges and expenses of the collecting bank are to be paid by the producer.

Partial releases of collateral will be made on the same basis as stated above, except that the certificate or certificates desired to be released must cover separate cribs and will be sent to an approved bank for delivery to the producer, or his agent, upon the payment of the amount loaned thereon together with accrued interest and proper charges. The producer's note will be credited by the Commodity Credit Corporation with the amount of such payment when received. Notwithstanding the privilege of partial release, it is suggested that producers borrowing upon more than one crib of corn, and desiring to obtain the release of a crib, or cribs, before the entire loan is repaid, execute separate notes and loan agreements for crib, or cribs, to be released before the entire loan is repaid.

If the producer's note was made payable directly to Commodity Credit Corporation and he desires to obtain the release of collateral upon payment as aforesaid, he should notify the Federal Reserve bank or branch thereof serving the district in which the corn is sealed as above provided. If his note was made payable to payee other than Commodity Credit Corporation the producer should notify the payee named therein.

Certificate No. ------ Amount, $------
Premium, $------
Term ----------

CERTIFICATE OF INSURANCE

CORN IN STORAGE

Agency at ----------
This certifies that in consideration of ---------- dollars premium (subject to all the terms and conditions of Open Policy No. ------ issued by this company or association) ---------- does insure ----------
(Company or association)
against all direct loss or damage by fire, lightning, cyclone, tornado, windstorm, and hail[1] in the sum of ---------- dollars on ------ bushels of corn as specified in Warehouse Certificate No. ------ stored and sealed in cribs and/or buildings on the ----------quarter of section ---------- township ----------, range ----------, County of ----------, State of ---------- for the term of 1 year from the -------- day of ---------- 19--, at 12 o'clock noon, to the -------- day of ----------, 19--, at 12 o'clock noon.

Any loss which may be ascertained and proven to be due the insured under this contract shall be payable to the insured and/or holder of note and grain storage certificate as their respective interests may appear.

SPECIAL (CORN) ENDORSEMENT PROVIDING THE BASIS OF ADJUSTMENT IN CASE OF LOSS ON CORN PLEDGED UNDER LOAN PLANS OF THE COMMODITY CREDIT CORPORATION

All or any part of the corn described in this policy and/or certificate having been pledged under the CCC Corn Loan Form A of the Commodity Credit Corporation as security for loan granted by said Commodity Credit Corporation or Lending Agencies, it is a condition of this insurance that in event of loss or damage to any of such corn so pledged the basis of adjustment shall be the actual cash value at the time and place of the loss, as set out elsewhere in the printed conditions of this policy or certificate, except that if such actual cash value is less than 50 cents per bushel, plus accrued interest at 4 percent per annum, then such actual cash value shall be disregarded and the value of any corn so pledged shall be deemed to be 50 cents per bushel plus interest.

The provisions of this endorsement shall apply and cover until note has been paid and/or released and/or corn sold.

This special adjustment clause does not apply to any corn not pledged in the manner hereinbefore described.

In witness whereof this company has executed and attested these presents, but this certificate shall not be valid until countersigned by a duly authorized agent of this company or association.

---------- ----------
Secretary President

Countersigned at ----------
this ------ day of ---------- 19-- ----------
(Agent)

M. R. BUCK,
Assistant Secretary.

[F. R. Doc. 38-187; Filed, January 18, 1938; 2:31 p. m.]

[1] Optional.

FEDERAL TRADE COMMISSION.

United States of America—Before Federal Trade Commission

[Docket No. 3299]

IN THE MATTER OF H. C. BRILL COMPANY, INC., A CORPORATION

COMPLAINT

The Federal Trade Commission, having reason to believe that the H. C. Brill Company, Inc., hereinafter called Respondent, since June 19, 1936, has been and is now violating the provisions of Section 2 (a) of the Act of Congress entitled "An Act to supplement existing laws against unlawful restraints and monopolies, and for other purposes", approved October 15, 1914, (Public No. 212, the Clayton Act), as amended by Section 1 of the Act of Congress entitled "An Act to amend Section 2 of the Act entitled 'An Act to supplement existing laws against unlawful restraints and monopolies, and for other purposes', approved October 15, 1914, as amended (U. S. C., title 15, sec. 13), and for other purposes", approved June 19, 1936, (Public No. 692, the Robinson-Patman Act), hereby issues this its complaint against respondent and states its charges with respect thereto as follows, to wit:

PARAGRAPH 1. Respondent is a corporation organized and existing under the laws of the State of New Jersey and has its principal office and place of business at 101-111 N. J. Railroad Avenue in the city of Newark, New Jersey.

PAR. 2. For many years prior hereto and since June 19, 1936, respondent has been and is now engaged in the business of manufacturing, selling and distributing certain bakers' supplies such as pie fillings, icings and flavoring preparations and also liquid and powder preparations for the manufacture of home made ice cream. The preparation for making ice cream is a commodity manufactured, sold and distributed under the trade name E-ZEE FREEZ. In the course and conduct of its said business the respondent has been and is now manufacturing said commodity at its place of business in the State of New Jersey and has been and is now selling, shipping, and distributing said commodity in commerce from its said place of business in the State of New Jersey to various purchasers of said commodity located in the several states of the United States and in the District of Columbia. For many years prior hereto and since June 19, 1936, there has been and is now between respondent and purchasers of said commodity a course of trade and commerce in said commodity in and between the State of New Jersey and the several other states of the United States and the District of Columbia. The said respondent in the course and conduct of its business as aforesaid has been and is now in direct active com-

petition with other persons, partnerships and corporations similarly engaged.

PAR. 3. Since June 19, 1936, in the course and conduct of its business described in Paragraph Two hereof and while engaged in trade and commerce between the State of New Jersey and the other states of the United States and the District of Columbia as therein described, the respondent has been and is now, in the course of such commerce, discriminating in price between different purchasers of said commodity of like grade and quality sold and shipped in commerce, as aforesaid, by respondent to said purchasers and by them purchased from respondent in commerce for resale within the several states of the United States and the District of Columbia, in that the respondent has been and is now allowing to some of said purchasers a larger rebate from the prices at which said commodity was and is sold to them by respondent than the rebate, if any, which respondent has been and is now allowing to other purchasers of said commodity of like grade and quality purchased from respondent at the same prices.

PAR. 4. Shortly after the effective date of the Robinson-Patman Act, June 19, 1936, a representative of The Great Atlantic & Pacific Tea Company presented a so-called quantity discount agreement to the respondent herein, which agreement was executed by respondent in words and figures as follows:

QUANTITY DISCOUNT AGREEMENT

Purchaser: The Great Atlantic & Pacific Tea Company.
Address: Graybar Building, New York City.
No. of Stores: 14,938.

Manufacturer: H. C. Brill Company, Inc.
Address: Newark, N. J.
Commodity: E-ZEE FREEZ.

The purchaser has obligated itself to buy from the manufacturer a large quantity of merchandise and, in view of the purchases in large quantity, present and prospective, the manufacturer agrees to allow the following quantity discount on amounts bought by the purchaser, between the period commencing on—

June 20, 1936, and expiring on June 19, 1937:
$5,000 to $10,000—1%.
10,000 to 15,000—2%.
15,000 to 20,000—3%.
20,000 to 30,000—4%.
30,000 to over —5%.

Payable at expiration of agreement.

The manufacturer avows its willingness to make the same agreement as is here made with any other purchaser similarly situated and on proportionately equal terms.

This agreement may be cancelled by either the purchaser or the manufacturer upon notice.

H. C. BRILL COMPANY, INC.
Manufacturer.
By HARRY C. BRILL, *Pres.*
THE GREAT ATLANTIC & PACIFIC TEA CO.,
Purchaser.
By G. F. MORROW.

PAR. 5. The respondent sold and shipped from its said plant to The Great Atlantic & Pacific Tea Company's various warehouses between June 20, 1936 and June 19, 1937 said commodity as follows:

Purchases Various A & P Units

	June 20, 1936 to Dec. 31, 1936	Jan. 1, 1937 to June 19, 1937
Altoona, Pa.	$355.71	$126.90
Albany, N. Y.	81.60	
Atlanta, Ga.		729.00
Baltimore, Md.	244.80	545.09
Bronx, N. Y.	458.99	964.58
Brooklyn, N. Y.		184.50
Buffalo, N. Y.	46.32	
Charlotte, N. C.	3.40	
Cincinnati, Ohio	232.05	266.22
Cleveland, Ohio	284.60	119.34
Dallas, Texas	452.20	262.23
Des Moines, Iowa	17.00	550.80
E. Aurora, N. Y.	10.20	
Pittsburgh, Pa.	862.83	540.13
Garden City, N. Y.	173.40	523.01
Grand Rapids, Mich.	$85.00	
Indianapolis, Ind.		$430.44
Louisville, Ky.	272.25	679.32
Hartford, Conn.	151.72	295.65
Newark, N. J.	913.29	1,081.01
Paterson, N. J.	360.79	721.77
Philadelphia, No. Side	1,225.27	
Philadelphia, So. Side	872.52	951.98
Providence, R. I.	168.36	124.20
Somerville, Mass.	136.22	
Springfield, Mass.	101.89	230.63
St. Louis, Mo.	14.45	86.40
Syracuse, N. Y.	326.40	837.93
Washington, D. C.	153.00	
Youngstown, Ohio	527.00	244.80
Total	$8,144.64	$10,525.93

PAR. 6. The total purchases of the various warehouses of The Great Atlantic & Pacific Tea Company, as aforesaid, amounted to $18,670.57. No single unit purchased in sufficient quantity to earn any rebate under the contract agreement. Each of said warehouses is treated by respondent as an individual customer, sales are solicited independently and the merchandise was shipped and billed to the individual warehouses. On July 21, 1937, respondent sent The Great Atlantic & Pacific Tea Company a check for $260.12. This amount was arrived at by granting to The Great Atlantic & Pacific Tea Company a rebate of 1% on its purchases between $5,000 and $10,000, 2% on its purchases between $10,000 and $15,000, and 3% on its purchases in excess of $15,000. The Great Atlantic & Pacific Tea Company objected to this method of computing its rebate, claiming that it was entitled to the full 3% rebate on all purchases in excess of $5,000. Accordingly, on July 26th, 1937, respondent paid to The Great Atlantic & Pacific Tea Company an additional sum of $150.00, making the total rebate $410.12.

PAR. 7. Respondent executed a contract in the same form with The Kroger Grocery and Baking Company covering the period commencing on June 20, 1936 and expiring June 19, 1937. The respondent sold and shipped said commodity from its said plant to the various warehouses of The Kroger Grocery and Baking Company between June 20, 1936 and June 19, 1937 as follows:

Purchases Kroger Units

	June 20, 1936 to Dec. 31, 1936	Jan. 1, 1937 to June 19, 1937
Charleston, W. Va.	$280.50	$90.39
Chicago, Illinois	91.80	
Cincinnati, Ohio	2,147.09	600.63
Dayton, Ohio	57.37	33.66
Detroit, Mich.	112.20	
Evanston, Ill.	28.05	
Indianapolis, Ind.	40.80	36.72
Louisville, Kentucky	680.00	549.27
Oak Park, Illinois	55.25	
Pittsburgh, Penna.	91.80	114.75
St. Louis, Mo.	957.30	
	$4,542.22	$1,431.42
	1,431.42	
Total purchases	$5,973.64	
Less Returns 6/20/36-6/19/37	620.20	
Net purchases	$5,353.44	

PAR. 8. The total purchases of the various warehouses of The Kroger Grocery and Baking Company, as aforesaid, amounted to $5,353.44. No single unit purchased in sufficient quantity to earn any rebate under the contract agreement. Each of said warehouses is treated by said respondent as an individual customer, sales are solicited independently and the merchandise is shipped and billed to the individual warehouses. On September 20, 1937 respondent sent The Kroger

Grocery and Baking Company a check in the amount of $3.53. This amount was arrived at by granting to The Kroger Grocery and Baking Company a 1% rebate on its purchases in excess of $5,000, namely $353.44.

PAR. 9. Respondent executed a contract in the same form with the American Stores Company covering a period commencing on October 20, 1936 and expiring October 19, 1937, during which period the American Stores Company purchases amounted to the sum of $4,150.01. The respondent sold and shipped said commodity from its said plant to seven warehouses of the American Stores Company located respectively in Baltimore, Maryland; Syracuse, New York; Johnstown, Pennsylvania; Orange, New Jersey; Wilkes Barre, Pennsylvania and two warehouses located in the city of Philadelphia, Pennsylvania. No rebate was paid to the American Stores Company inasmuch as the total purchases did not aggregate more than the sum of $5,000.

PAR. 10. The aforesaid rebate agreements were entered into by respondent with the aforesaid three large corporate chain store companies and with no other customers. Respondent made an additional special arrangement with most customers by which a special discount of 5% on E-ZEE FREEZ powder was allowed and 10% on all purchases of liquid E-ZEE FREEZ in consideration of the distributor contracting for and agreeing to purchase an agreed number of dozens of said commodities during a year's time and such discounts or allowances were granted, paid or allowed to the aforesaid corporate chains in addition to the rebate, if any, which each of said corporate chains received. Purchasers who would not contract for their purchases at the beginning of the year were not allowed the additional special discounts or if they did not take the amount contracted for respondent was entitled to a charge-back of 5% on all E-ZEE FREEZ powder drawn against the said contract or 10% on all liquid E-ZEE FREEZ drawn against said contract.

PAR. 11. Upon the termination of the aforesaid rebate contract with The Great Atlantic & Pacific Tea Company, a second contract in the same form was executed by respondent covering the period commencing on June 20, 1937 and expiring June 19, 1938. This second contract had an additional clause providing that Canadian purchases applied.

PAR. 12. Since June 19, 1936 many purchasers of said commodity, E-ZEE FREEZ, from respondent and who did not receive any rebate have been and are now in substantial competition in the sale, resale and distribution of said commodity with The Great Atlantic & Pacific Tea Company and many units of The Kroger Grocery and Baking Company and American Stores Company, as aforesaid, are likewise in substantial competition with The Great Atlantic & Pacific Tea Company.

PAR. 13. The effect of the discriminations in price referred to in Paragraph Three may be substantially to lessen competition or tend to create a monopoly in the line of commerce in which respondent is engaged or to injure, destroy, or prevent competition with the respondent or The Great Atlantic & Pacific Tea Company, or other beneficiary of like discrimination.

Wherefore, the premises considered, the Federal Trade Commission on this 15th day of January, A. D. 1938, now issues this its complaint against said respondent.

NOTICE

Notice is hereby given you, H. C. Brill Company, Inc., respondent herein, that the 18th day of February, A. D., 1938, at 2: 00 o'clock in the afternoon, is hereby fixed as the time, and the offices of the Federal Trade Commission in the City of Washington, D. C., as the place, when and where a hearing will be had on the charges set forth in this complaint, at which time and place you will have the right, under said Act, to appear and show cause why an order should not be entered by said Commission requiring you to cease and desist from the violation of the law charged in the complaint.

You are notified and required, on or before the twentieth day after service upon you of this complaint, to file with the Commission an answer to the complaint. If answer is filed and if your appearance at the place and on the date above stated be not required, due notice to that effect will be given you. The Rules of Practice adopted by the Commission with respect to answers or failures to appear or answer (Rule VII) provide as follows:

In case of desire to contest the proceeding the respondent shall, within twenty (20) days from the service of the complaint, file with the Commission an answer to the complaint. Such answer shall contain a short and simple statement of the facts which constitute the ground of defense. Respondent shall specifically admit or deny or explain each of the facts alleged in the complaint, unless respondent is without knowledge, in which case respondent shall so state.

* * * * *

Failure of the respondent to file answer within the time above provided or failure to appear at the time and place fixed for hearing shall be deemed to authorize the Commission, without further hearing or notice to respondent, to proceed in regular course on the charges set forth in the complaint, and to make, enter, issue, and serve upon respondent findings of fact and an order to cease and desist.

If respondent desires to waive hearing on the charges set forth in the complaint and not to contest the proceeding the answer may consist of a statement that respondent admits all the material allegations of the complaint to be true. Any such answer shall be deemed to waive a hearing thereon, and to authorize the Commission, without trial and without further evidence, or other intervening procedure, to make, enter, issue, and serve upon respondent:

(a) In cases arising under section 5 of the act of Congress approved September 26, 1914, entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes" (the Federal Trade Commission Act), or under sections 2 and 3 of the act of Congress approved October 15, 1914, entitled "An Act to supplement existing laws against unlawful restraints and monopolies, and for other purposes" (the Clayton Act), or under section 2 of the aforesaid Clayton Act as amended by "An act to amend section 2 of the act entitled 'An act to supplement existing laws against unlawful restraints and monopolies, and for other purposes' approved October 15, 1914, as amended (U. S. C., title 15, sec. 13), and for other purposes", approved June 19, 1936 (the Robinson-Patman Act), findings of fact and an order to cease and desist from the violations of law charged in the complaint;

In witness whereof, the Federal Trade Commission has caused this, its complaint, to be signed by its Secretary, and its official seal to be hereto affixed, at Washington, D. C., this 15th day of January, A. D., 1938.

By the Commission.

[SEAL] OTIS B. JOHNSON, *Secretary.*

[F. R. Doc. 38-198; Filed, January 19, 1938; 12:16 p. m.]

United States of America—Before Federal Trade Commission

At a regular session of the Federal Trade Commission, held at its office in the City of Washington, D. C., on the 13th day of January, A. D. 1938.

Commissioners: Garland S. Ferguson, Jr., Chairman; Charles H. March, Ewin L. Davis, William A. Ayres, Robert E. Freer.

[Docket No. 3193]

IN THE MATTER OF JOSEPH COMINSKY, TRADING AS WAVERLEY TAILORS, MAYFAIR CLOTHING COMPANY, AND BARCLAY CLOTHING COMPANY.

ORDER APPOINTING EXAMINER AND FIXING TIME AND PLACE FOR TAKING TESTIMONY

This matter being at issue and ready for the taking of testimony, and pursuant to authority vested in the Federal

Trade Commission, under an Act of Congress (38 Stat. 717; 15 U. S. C. A., Section 41),

It is ordered, That John W. Addison, an examiner of this Commission, be and he hereby is designated and appointed to take testimony and receive evidence in this proceeding and to perform all other duties authorized by law:

It is further ordered, That the taking of testimony in this proceeding begin on Monday, January 24, 1938, at ten o'clock in the forenoon of that day (eastern standard time), in Room 500, 45 Broadway, New York, New York.

Upon completion of testimony for the Federal Trade Commission, the examiner is directed to proceed immediately to take testimony and evidence on behalf of the respondent. The examiner will then close the case and make his report.

By the Commission.

[SEAL] OTIS B. JOHNSON, *Secretary*.

[F. R. Doc. 38-196; Filed, January 19, 1938; 12:15 p. m.]

United States of America—Before Federal Trade Commission

At a regular session of the Federal Trade Commission, held at its office in the City of Washington, D. C., on the 12th day of January, A. D. 1938.

Commissioners: Garland S. Ferguson, Jr., Chairman; Charles H. March, Ewin L. Davis, William A. Ayres, Robert E. Freer.

[Docket No. 3010]

IN THE MATTER OF PHILADELPHIA RUBBER WASTE COMPANY, A CORPORATION, AND ALBERT SCHWARTZ, ISADORE M. ENGEL AND SIMON SPERBERG, COPARTNERS, TRADING AS PHILCO RUBBER COMPANY, PHILCO RUBBER SALES COMPANY, PHILCO AUTO SUPPLY, PHILCO AUTO AND RUBBER SUPPLY AND PHILCO SPARK PLUG COMPANY

ORDER APPOINTING EXAMINER AND FIXING TIME AND PLACE FOR TAKING TESTIMONY

This matter being at issue and ready for the taking of testimony, and pursuant to authority vested in the Federal Trade Commission under an Act of Congress (38 Stat. 717; 15 U. S. C. A., Section 41),

It is ordered, That John W. Addison, an examiner of this Commission, be and he hereby is designated and appointed to take testimony and receive evidence in this proceeding and to perform all other duties authorized by law;

It is further ordered, That the taking of testimony in this proceeding begin on Friday, January 21, 1938, at ten o'clock in the forenoon of that day (eastern standard time) at court room No. 5, United States Post Office Building, Boston, Massachusetts.

Upon completion of testimony for the Federal Trade Commission, the examiner is directed to proceed immediately to take testimony and evidence on behalf of the respondent. The examiner will then close the case and make his report.

By the Commission.

[SEAL] OTIS B. JOHNSON, *Secretary*.

[F. R. Doc. 38-195; Filed, January 19, 1938; 12:15 p. m.]

United States of America—Before Federal Trade Commission

At a regular session of the Federal Trade Commission, held at its office in the City of Washington, D. C., on the 13th day of January, A. D. 1938.

Commissioners: Garland S. Ferguson, Jr., Chairman; Charles H. March, Ewin L. Davis, William A. Ayres, Robert E. Freer.

[Docket No. 3270]

IN THE MATTER OF UNIVERSAL HANDKERCHIEF MANUFACTURING COMPANY, INC., A CORPORATION

ORDER APPOINTING EXAMINER AND FIXING TIME AND PLACE FOR TAKING TESTIMONY

This matter being at issue and ready for the taking of testimony, and pursuant to authority vested in the Federal Trade Commission, under an Act of Congress (38 Stat. 717; 15 U. S. C. A., Section 41),

It is ordered, That John W. Addison, an examiner of this Commission, be and he hereby is designated and appointed to take testimony and receive evidence in this proceeding and to perform all other duties authorized by law;

It is further ordered, That the taking of testimony in this proceeding begin on Friday, January 28, 1938, at ten o'clock in the forenoon of that day (eastern standard time), in room 500, 45 Broadway, New York City, N. Y.

Upon completion of testimony for the Federal Trade Commission, the examiner is directed to proceed immediately to take testimony and evidence on behalf of the respondent. The examiner will then close the case and make his report.

By the Commission.

[SEAL] OTIS B. JOHNSON, *Secretary*.

[F. R. Doc. 38-197; Filed, January 19, 1938; 12:15 p. m.]

INTERSTATE COMMERCE COMMISSION.

[No. 3666]

ORDER IN THE MATTER OF REGULATIONS FOR TRANSPORTATION OF EXPLOSIVES AND OTHER DANGEROUS ARTICLES

Present: Frank McManamy, Commissioner, to whom the above entitled matter has been assigned for action thereon.

Regulations for the transportation of explosives and other dangerous articles by rail in freight, express, and baggage services, and by water and highway, being under further consideration:

And it appearing, That upon motion of the Commission or applications made by interested parties, certain proposed new and amended regulations should be established pursuant to section 233 of the Criminal Code (Transportation of Explosives Act), and upon full hearing and investigation are found to be in accord with the best-known practicable means for securing safety in transit, covering the packing, marking, loading, handling while in transit, and the precautions necessary to determine whether the material when offered is in proper condition to transport:

It is ordered, That the aforesaid regulations as heretofore published in orders of May 12, 1930, June 27, 1931, Dec. 15, 1931, Oct. 14, 1932, Apr. 8, 1933, Jan 13, 1934, Aug. 24, 1934, Nov. 1, 1934, Dec. 10, 1935, Mar. 12, 1936, Aug. 27, 1936, Dec. 14, 1936, and Mar. 10, 1937,[1] be and they are hereby superseded and/or amended as follows, effective April 15, 1938, except see paragraph 317 of freight regulations herein:

PART I—FREIGHT

Amend dangerous articles list as follows:

Article	Group	Section	Page
(Add) Calcium chlorite	Oxi. M	3	49
(Add) Nickel carbonyl	Inflammable liquid	3	49
(Add) Sodium chlorite	Oxi. M	3	49
(Delete) Trinitroresorcinol, wet (styphnic acid).			

[1] 1 F. R. 46, 1336; 2 F. R. 33, 655 (DI).

High Explosives

Superseding and amending second subparagraph, paragraph 57 (a), order August 27, 1936, to read as follows (*packing high explosives containing no liquid explosive ingredient*):

When shipped in bulk, such explosives must be in strong sift-proof cloth or paper bags packed in wooden boxes, specification 14, 15A, or 16A, or in fiberboard boxes, specification 23F, lined as described in paragraph 59 (a);

Or in wooden boxes, specification 14, 15A, or 16A, or in fiberboard boxes, specification 23F, with strong sift-proof paper liner with cemented seams and closure;

Or in strong sift-proof cloth or paper bags in wooden kegs or barrels, specification 10B.

Superseding and amending paragraph 57 (b), order June 27, 1931, to read as follows (*packing high explosives containing no liquid explosive ingredient nor any chlorate*):

(b) *High explosives containing no liquid explosive ingredient nor any chlorate* may also be shipped when packed in strong paper or cloth bags of capacity not exceeding 25 pounds, and must be packed with filling ends up, in boxes, specification 14, 15A, 16A, or 23F.

Superseding and amending paragraph 57 (c), order November 1, 1934, to read as follows (*packing high explosives described in paragraph 57 (a)*):

(c) *High explosives described in paragraph 57 (a)*, in combination cartridges, consisting of column of explosive with core of dynamite, may be shipped when packed in outside boxes, specification 14, 15A, 16A, or 23F, with 65 pounds as the maximum gross weight. The column of explosive must be completely inclosed in waterproofed cloth, or strong waterproofed paper and not exceed 6 inches in diameter, 20 inches in length, or gross weight of 25 pounds.

Amending paragraph 57, order December 10, 1935, as follows (*packing trinitroresorcinol (styphnic acid)*):

Paragraph 57 (e) canceled. (See High explosives.)

Superseding and amending paragraph 58, order May 12, 1930, to read as follows (*packing nitrocellulose*):

58. *Nitrocellulose.*—Inside packages containing not more than 1 pound each of dry uncompressed nitrocellulose, wrapped in strong paraffined paper or suitable spark-proof material, may be shipped if securely packed in an outside container, specification 14, 15A, or 16A, and marked as prescribed in paragraph 61. Outside packages must not contain more than 10 pounds of dry nitrocellulose.

Superseding and amending paragraph 59 (a), order June 27, 1931, to read as follows (*packing high explosives*):

59. (a) All boxes in which high explosives in cartridges, combination cartridges, bags, or in bulk, are packed must comply with specification 14, 15A, 16A, or 23F, and must be lined with strong parafined paper or other suitable material. Lining must be without joints or other openings at the bottom, ends, or sides of boxes, and for explosives with liquid ingredient must be impervious to such ingredient and also to water. Covers of boxes must be protected from contact with explosives by lining paper or other suitable material. (See specification 2L for approved lining paper.)

Superseding and amending paragraph 60 (c), order May 12, 1930, to read as follows (*dry nitrocellulose, weight of package*):

(c) The gross weight of a container of dry nitrocellulose, not compressed, packed as prescribed in paragraph 58 must not exceed 35 pounds. Compressed sticks or blocks of dry nitrocellulose (guncotton) wrapped in strong paraffined paper may be shipped in outside packages, specification 14, 15A, or 16A, with a gross weight not exceeding 75 pounds.

Black Powder and Low Explosives

Superseding and amending first subparagraph, paragraph 63 (c), order May 12, 1930, to read as follows (*packing black powder and low explosives*):

(c) In wooden boxes, specification 14, 15A, or 16A, with inside containers which must be:

Superseding and amending subparagraph added to paragraph 63 (c), order June 27, 1931, to read as follows (*packing black powder and low explosives*):

Cartridges described in subparagraphs 4 and 5, in addition to outside wooden boxes, specification 14, 15A, or 16A, may also be shipped when packed in fiberboard boxes, specification 23F, of gross weight not exceeding 65 pounds. Lining of fiberboard boxes must conform to paragraph 59 (a).

Superseding and amending paragraph 63 (e), order January 13, 1934, to read as follows (*packing low explosives*):

(e) *Low explosives* (not black powder) may also be packed for shipment in strong paper bags of capacity not exceeding 25 pounds, in wooden boxes, specification 14, 15A, or 16A, or in fiberboard boxes, specification 23F.

Superseding and amending added paragraph 63 (f), order December 10, 1935, to read as follows (*packing black powder*):

(f) *Black powder* may also be packed for shipment in cloth or paper bags, of capacity not exceeding 25 pounds net weight, provided the completed shipping package shall be capable of standing a drop of 4 feet without rupture of inner or outer container; the bags to be packed in wooden boxes, specification 14, 15A, or 16A, or fiberboard boxes, specification 23F. When fiberboard boxes, specification 23F, are used, the tubes may be eliminated and a single tube, as specified in specification 23F, may be substituted. The completed package shall not contain more than 50 pounds, net weight, of black powder.

Nitro Mannite

Superseding and amending paragraph 69T, order December 10, 1935, to read as follows (*packing nitro mannite*):

69T. *Packing.*—Nitro mannite in bulk form must contain not less than 40 percent by weight of water and in this wet condition be placed in bags made of at least 10 ounce cotton duck, and the bags securely closed. The nitro mannite in cotton bags must then be placed in a rubber bag in a barrel or drum, specification 10B, 5, or 5B. Any empty spaces in the rubber bag must be filled with water and the rubber bag securely closed.

Sufficient outage in outside container must be allowed to prevent rupturing of container in freezing weather, or a mixture of denatured alcohol and water may be used to prevent freezing in transit.

Pentaerythrite Tetranitrate

Superseding and amending paragraph 69W, order March 12, 1936, to read as follows (*packing pentaerythrite tetranitrate*):

69W. *Packing.*—Pentaerythrite tetranitrate in bulk form must contain not less than 40 percent by weight of water and in this wet condition be placed in bags made of at least 10 ounce cotton duck, and the bags securely closed. The pentaerythrite tetranitrate in cotton bags must then be placed in a rubber bag in a barrel or drum, specification 10B, 5, or 5B. Any empty spaces in the rubber bag must be filled with water and the rubber bag securely closed.

Sufficient outage in outside container must be allowed to prevent rupturing of container in freezing weather, or a mixture of denatured alcohol and water may be used to prevent freezing in transit.

Blasting Caps

Superseding and amending paragraphs 79 (c), 79 (d), 79 (f), and 79 (g), order May 12, 1930, as amended by order October 14, 1932, to read as follows (*packing blasting caps*):

(c) *For not more than 5,000 caps containing not to exceed 50 grains of explosive composition each*, the inside containers, in cartons or wrappings, must be packed in an outside box, specification 14, 15A, or 16A, and they must be separated from the outside box by at least 1 inch of tightly packed sawdust, excelsior, or equivalent cushioning material.

(d) *For more than 5,000 caps containing not to exceed 50 grains of explosive composition each*, the inside containers, in cartons or wrappings, must be packed in an inside box made of sound lumber or in a hermetically sealed metal box of metal not less than 30 gage United States standard, and this inside wooden or metal box must then be packed in an outside box, specification 14, 15A, or 16A. Tightly packed sawdust, excelsior, or equivalent cushioning material, at least 1 inch thick at all points, must separate the inside box from the outside wooden box.

(f) *Ten or less of the interior containers of not more than 100 blasting caps each, containing not to exceed 50 grains of explosive composition each*, may be packed in the same outside container with safety fuse. These inner packages of blasting caps must be placed in the center of a coil of fuse, and so secured and cushioned therein as to prevent movement therefrom. The outside box must comply with specification 14, 15A, or 16A.

(g) *Blasting caps containing in excess of 50 grains of explosive composition each*, must be placed in strong interior containers, in which they must fit snugly, and the caps must be closed securely against leakage of contents by suitable elastic material placed over the caps. Not more than 10 such blasting caps may be packed in a single inside container. All inside containers must then be packed snugly in cartons or wrappings made of paper or pasteboard. The inside containers, in cartons or wrappings, must be packed in an outside box, specification 14, 15A, or 16A, and cartons or wrappings must be separated from outside box by at least 1 inch of tightly packed sawdust, excelsior, or equivalent cushioning material. Not more than 500 caps containing in excess of 50 grains of explosive composition each may be placed in one outside package.

Superseding and amending paragraph 79 (h), order May 12, 1930, as amended by order October 14, 1932, to read as follows (*packing electric blasting caps*):

(h) *Electric blasting caps* must be packed in pasteboard cartons containing not more than 50 caps each. These cartons must be packed in a wooden box, specification 14, 15A, or 16A.

Superseding and amending paragraph 79 (i), order January 13, 1934, to read as follows (*packing electric blasting caps*):

(i) *Electric blasting caps*, in addition to containers specified in paragraph 79 (h), may also be packed for shipment in outside wooden boxes, specification 14, 15A, or 16A, when each cap is inclosed in a pasteboard tube with the wires, or with the wires wrapped around the tube. Gross weight of package must not exceed 75 pounds.

Specification Containers Prescribed-Tank Cars

Superseding and amending paragraph 219, order April 8, 1933, to read as follows (*retests of tanks and safety valves*):

219. Metal tanks and safety valves of tank cars listed in the table in paragraph 216 must be retested within the periods and by methods prescribed in the respective specifications and in paragraph 432 of these regulations. For cars listed in the second column of table, retests must conform to footnotes, and to specifications for cars listed on corresponding lines in first column of table as amended. Retests of all tanks and safety valves must be certified by party making tests to owners of tank cars and to the Bureau of Explosives. Certifications must show initials and number of cars and service for which suitable, date of test, place of test, and by whom test is made.

Inflammable Liquids

Amending list of articles paragraph 228 (c), order May 12, 1930, as follows:

Article	Exemption	Packing (pars.)
(Add) Nickel carbonyl	No exemption	230, 231, 233, 252.

Special Packing Index

Amending list of articles, paragraph 233, order May 12, 1930, as follows:

Article	Paragraph
(Add) Nickel carbonyl	252.

Special Packing, Inflammable Liquids

Amending order May 12, 1930, as follows (*packing nickel carbonyl*):

(Add) 252. *Nickel carbonyl* must be packed in any cylinder as prescribed for any compressed gas, except acetylene.

Inflammable Solids and Oxidizing Materials

Superseding and amending list of articles, paragraph 277 (c), order May 12, 1930, as follows:

Article	Group	Exemption (pars.)	Packing (pars.)
(Add) Calcium chlorite	Oxi. M	(1)	279, 280 to 282, 324B.
(Change) Chlorate of potash	do	278, 328	279, 280, 283, 283, 317.
(Change) Potassium chlorate	do	278, 328	279, 280, 282, 283, 317.
(Add) Sodium chlorite	do	(1)	279, 280 to 282, 324B.

[1] No exemption.

Special Packing Index

Amending list of articles, paragraph 281, order May 12, 1930, as follows (*add*):

Article	Paragraph
Calcium chlorite	324B.
Chlorate of potash	317.
Chlorate of soda	317.
Potassium chlorate	317.
Sodium chlorite	324B.

Special Packing, Inflammable Solids and Oxidizing Materials

Superseding and amending paragraph 317, order May 12, 1930, to read as follows (*packing chlorate of soda and chlorate of potash*):

317. *Chlorate of soda and chlorate of potash* must be packed as follows:

In containers as prescribed in paragraph 283, except that wooden barrels or kegs, specification 10A, 10B, 10C, or 11B, are not authorized for bulk shipments. (Effective 10 months from date of approval of this amendment.)

When chlorate of soda is wet with not less than 10 percent water, it may only be shipped in tank cars, specification 103, provided that the commodity must not be loaded to exceed one-third of the shell capacity of the tank and must be equally distributed therein.

Amending order May 12, 1930, as follows (*packing calcium chlorite and sodium chlorite*):

(Add) 324B. *Calcium chlorite and sodium chlorite* must be packed as follows:

In wooden boxes, specification 15A, 15B, or 15C, with inside containers which must be: Glass or earthenware not over 2¼ pounds capacity each, or metal not over 5 pounds capacity each;

Or in metal barrels or drums, specification 6A, 6B, or 6C; or 5E or 6D (single-trip containers).

Corrosive Liquids—Special Packing

Superseding and amending 7th subparagraph added to paragraph 352 (b), order December 10, 1935, to read as follows (*packing phosphorus trichloride*):

Phosphorus trichloride may also be shipped in metal barrels or drums, specification 5A, or in tank cars, specification 103A, when these cars are lead-lined.

Compressed Gases

Superseding and amending list of articles, paragraph 396 (c), order May 12, 1930, as follows:

Article	Group	Exemption (par.)	Packing (pars.)
(Change) Liquefied carbon dioxide.	Noninf.	397	398 to 405, 426 to 433.
(Change) Nitrogen	do	397	398 to 404, 407, 426 to 431.
(Change) Oxygen	do	397	398 to 404, 407, 426 to 431.

Compressed Gases in Tank Cars

Superseding and amending table No. 1, paragraph 430, order May 12, 1930, as follows:

Article	Max. filling (%)	Required car (spec.)
(Add) Liquefied carbon dioxide	(1)	ICC–105A500**
(Add) Nitrogen	See par. 427	ICC–107A****
(Add) Oxygen	See par. 427	ICC–107A****

[1] The liquid portion of the gas at 0° F. must not completely fill the tank.

**Before an ICC 105A500 tank car may be used for the transportation of liquefied carbon dioxide, the following requirements must be met: Tank must be lagged with cork at least 10 inches in thickness. Tank must be equipped with one safety valve of approved design set to open at a pressure not exceeding 375 pounds per square inch and one frangible disk device of approved design set to function at a pressure less than the test pressure of the tank. The discharge capacity of each of these safety devices must be sufficient to prevent building up of pressure in tank in excess of 375 pounds per square inch. Tank must be equipped with two pressure-regulating valves of approved design, one set to open at 300 pounds per square inch pressure and one set to open at 340 pounds per square inch pressure. Each regulating valve and safety device must have its final discharge piped to the outside of the dome.

Superseding and amending second subparagraph, paragraph 431 (a), order December 15, 1931, to read as follows:

Before a tank car may be used for the transportation of any compressed gas other than that gas for which it is currently equipped and authorized as indicated by the name of the commodity stenciled on the tank, the owner of the car, or party authorized by the owner, must secure approval for changes in the stenciled name, manhole closure, safety valve, induction and education valves and pipes, and such other changes as are necessary to make the car suitable for the new service. The date these changes are made, the initials of the owner, or party making these changes, must be stenciled on the tank under commodity name. A certificate showing the changes which were approved and made must be filed with the Bureau of Explosives and the secretary, mechanical division, Association of American Railroads.

Superseding and amending second subparagraph, paragraph 432, order August 27, 1936, to read as follows:

Tank cars of other than ICC 106A type, used for shipping chlorine, must have the eduction pipes equipped with check valves, and the test prescribed in paragraph 14 of specification 105A300 must be made at intervals of 2 years or less.

Poisonous Liquids Class B—Special Packing

Superseding and amending sixth subparagraph, paragraph 485, order May 12, 1930, to read as follows (*packing aniline oil*):

Or in tank cars, specification 103 or 103A.

Poisonous Solids Class B—General Packing

Amending Note, paragraph 499, order May 12, 1930, as follows (*packing poisonous solids class B*):

(Add) EXCEPTION: Tape not required on manufacturer's joint that is both glued and stitched.

Poisonous Solids Class B—Special Packing

Superseding and amending fourth subparagraph, paragraph 501, order October 14, 1932, to read as follows (*packing arsenical dust, arsenic trioxide, and sodium arsenate*):

Arsenical dust not subject to dangerous spontaneous heating and *arsenic trioxide or sodium arsenate* when delivery is made to plants with private sidings, only, may also be shipped in sift-proof, self-clearing, hopper or bottom-outlet steel cars, equipped with waterproof and dust-proof covers well secured in place for all openings.

PART II—EXPRESS

Amend dangerous articles list as follows:

Article	Group	Section	Page
(Add) Calcium chlorite	Oxi. M	3	204.
(Add) Sodium chlorite	Oxi. M	3	204.

Inflammable Solids and Oxidizing Materials

Amending list of articles, paragraph 136 (c), order May 12, 1930, as follows:

Article	Group	Maximum quantity	Packing marking (pars.)
(Add) Calcium chlorite	Oxi. M	100 pounds	14, 164, 165.
(Add) Sodium chlorite	Oxi. M	100 pounds	14, 164, 165.

Special Packing, Inflammable Solids and Oxidizing Materials

Amending order May 12, 1930, as follows (*packing calcium chlorite and sodium chlorite*):

(Add) 164. *Calcium chlorite and sodium chlorite* must be packed as follows:

In wooden boxes, specification 15A, 15B, or 15C, with inside containers which must be: Glass or earthenware not over 2¼ pounds capacity each, or metal not over 5 pounds capacity each;

Or in metal barrels or drums, specification 6A, 6B, or 6C; or 5E or 6D (single-trip containers).

Poisonous Solids Class B—General Packing

Amending Note, paragraph 249, order May 12, 1930, as follows (*packing poisonous solids, class B*):

(Add) EXCEPTION.—Tape not required on manufacturer's joint that is both glued and stitched.

PART IV—SHIPPING CONTAINER SPECIFICATIONS

Shipping Container Specification 5C

Amending specification 5C, order May 12, 1930, as follows:

(Add) 7. Thickness of steel in body and heads of drums made under this specification is authorized to be 2 gauges lighter than as specified in specification 5A.

Shipping Container Specification 5G

Superseding and amending paragraph 2, *specification 5G*, order March 10, 1937, to read as follows:

2. In place of paragraph 2, the following:

The use of an austenitic 18- and 8-chrome nickel alloy steel with carbon content not over 0.12 percent is required,

except for rolling hoops and chime reinforcements, in the manufacture of these containers.

Shipping Container Specification 22A

Amending *specification 22A*, order May 12, 1930, as follows:

(Add) 14. *Special closure.*—Bung hole closed by 28 gauge steel push-in closure with an outside flange of approximately ½ inch and held securely in place by expanding the closure below the inside face of head is also authorized.

Shipping Container Specification 24B

Superseding and amending item of table, paragraph 4, *specification 24B*, order December 14, 1936, to read as follows:

Box	Weight	Body	Liner	Pads	Partitions, etc.
1 piece double-faced....	90* (See Note 1).	275	200	200	

*Authorized only when boxes are to be metal strapped before shipment.

NOTE 1.—For pyroxylin sheets only.

Shipping Container Specification 24C

Amending *specification 24C*, order May 12, 1930, as follows:

(Add) 5. Joints stitched as follows also authorized for boxes made of double-faced board: Lapped 1½ inches; stitched at 2½ inch intervals and within 1 inch of each end of joint; double-stitched (2 parallel stitches) at each end of joint over 18 inches long.

Shipping Container Specification 104A

Superseding and amending paragraph 19, *specification 104A*, order May 12, 1930, to read as follows:

19. *Retest of tanks and safety valves.*—Same as specification 103, except that tanks and valves must be retested at intervals of five years or less after the original test, and that if the jacket and lagging are not removed, the tank must hold the prescribed pressure for at least 20 minutes. A drop in pressure shall be evidence of leakage, and such portion of the jacket and lagging must be removed as may be necessary to locate the leak and make repairs. After the repairs have been made, the tank must be again subjected to the prescribed test.

Shipping Container Specification 105A300

Superseding and amending paragraph 14, *specification 105A300*, order December 10, 1935, to read as follows:

14. *Retests of tanks, anchor rivet covers, and safety valves.*—Tanks must be retested to a pressure of 300 pounds per square inch, anchor rivet covers to a pressure of 100 pounds per square inch, and safety valves to a pressure as prescribed in paragraph 9 (b), by the methods prescribed for original tests in paragraphs 12 and 13, at intervals of 5 years or less, except as prescribed in paragraph 432 of freight regulations. Tanks must also be retested before being returned to service after any repairs requiring welding. Reports must be rendered as prescribed in paragraph 16.

PART V—WATER REGULATIONS

Recommended Stowage for Explosives and Other Dangerous Articles

Amending stowage chart, order August 24, 1934, as follows:

Article	Properties	Label	Outside containers	Stowage
(Add) †Box toe board containing pyroxylin or nitrocellulose.	Inflammable solid.	Yellow..	Fiberboard boxes, fiber drums, wooden boxes.	C, keep cool.
(Add) Nickel carbonyl.	Inflammable liquid (poisonous).	Red.....	Cylinders.....	Freight vessels A, keep cool.

† Articles indicated by reference symbol (†) are those designated as dangerous by express regulations but not by freight regulations.

It is further ordered, That the aforesaid regulations as further amended herein shall be and remain in force on and after April 15, 1938, except see paragraph 317, freight regulations, and shall be observed until further order of the Commission;

It is further ordered, That compliance with the aforesaid amendments made effective by this order is hereby authorized on and after the date of approval and publication thereof;

And it is further ordered, That copies of this order be served upon all the respondents herein, and that notice to the public be given by posting in the office of the Secretary of the Commission at Washington, D. C.

Dated at Washington, D. C., this 7th day of January, 1938.

By the Commission, Commissioner McManamy.

[SEAL] W. P. BARTEL, *Secretary*.

[F. R. Doc. 38-194; Filed, January 19, 1938; 12:13 p. m.]

RAILROAD RETIREMENT BOARD.

REGULATIONS GOVERNING APPEALS WITHIN THE RAILROAD RETIREMENT BOARD

Pursuant to the authority conferred by section 10 of the Railroad Retirement Act of 1937, the Railroad Retirement Board hereby prescribes the following regulations governing appeals within the Railroad Retirement Board:

I. INITIAL DECISIONS BY THE CLAIMS SERVICE

1. Claims will be adjudicated and initial decisions made by the Claims Service upon the basis of the application, the evidence submitted by the applicant, and evidence otherwise available. Adjudication and initial decision will be in accordance with instructions issued by the Board.

2. Notice of an initial decision shall be communicated by the Claims Service to the applicant in writing within thirty days after such decision is made.

II. APPEAL FROM AN INITIAL DECISION OF THE CLAIMS SERVICE

1. Every applicant shall have a right to appeal to the Appeals Council from any initial decision of the Claims Service by which he claims to be aggrieved. The Appeals Council shall consist of five members, one of whom shall have legal training and shall be the chairman. Each other member shall have a background of experience in the railroad industry calculated to familiarize him with the practices, procedures, and conduct prevailing in the railroad industry; two of such members shall have a background of experience in the representation of employee organizations, and two shall have had experience calculated to familiarize them with the problems of railway management.

2. Appeal from an initial decision of the Claims Service shall be made by the execution and filing of the appeal form prescribed by the Board, and must be filed with the Appeals Council within one year from the date upon which notice of the initial decision is mailed to the applicant at the address furnished by him. As used herein, a month shall be considered to have elapsed between any date and the date corresponding thereto in the next succeeding month.

3. The right to further review of an initial decision of the Claims Service shall be forfeited unless formal appeal is filed in the manner and within the time prescribed herein.

4. In the event that the applicant makes informal complaint without taking formal appeal, which complaint is not eliminated by explanation of the basis of the initial decision of the Claims Service, the Appeals Council shall endeavor to ascertain, by correspondence or conference with the applicant, whether he takes issue with any point of fact or law involved in the initial decision of the Claims Service, and, if so, whether the applicant desires to take a formal appeal to the Appeals Council. In the latter event, he shall be supplied with the appeal form prescribed by the Board,

which form shall be duly executed and filed before the applicant is considered to have made an appeal.

5. The appellant, or his representative, shall be afforded full opportunity to present further evidence upon any controversial question of fact, orally or in writing or by means of exhibits; to examine and cross-examine witnesses; and to present argument in support of the appeal. If, in the judgment of the Appeals Council, evidence not offered by the appellant is available and relevant and is material to the merits of the claim, the Appeals Council shall obtain such evidence upon its own initiative. The Appeals Council shall protect the record against scandal, impertinence and irrelevancies, but the technical rules of evidence shall not apply.

6. In the development of appeals, the Appeals Council shall have power to hold hearings, require and compel the attendance of witnesses, administer oaths, take testimony, and make all necessary investigations.

7. All oral evidence presented at any hearing shall be reduced to writing. All evidence presented by the appellant and all evidence developed by the Appeals Council shall be preserved. Such evidence, together with a record of the arguments, oral or written, and the file previously made in the adjudication of the claim, shall constitute the record for decision of the appeal. After an appeal form is filed, the compilation of the record shall be initiated by the inclusion therein of the file made in the adjudication of the claim; the compilation of the record shall be kept up to date by the prompt addition thereto of all parts of the record subsequently developed. The entire record at any time during the pendency of an appeal shall be available for examination by the appellant or his representative.

8. Upon completion of the record, the Appeals Council shall render decision thereon as soon as practicable, and within thirty days after the making thereof, such decision shall be communicated to the appellant in writing. Decision shall be taken by unanimous vote of the members of the Appeals Council, and such decision shall be either a decision upon the merits of the appeal, or a decision to certify the entire record as an automatic appeal to the Board.

III. FINAL APPEAL FROM A DECISION OF THE APPEALS COUNCIL

1. Every appellant shall have a right to a final appeal to the Railroad Retirement Board from any decision of the Appeals Council by which he claims to be aggrieved.

2. Final appeal from a decision of the Appeals Council shall be made by the execution and filing of the final appeal form prescribed by the Board, except as provided in paragraph 8 of Part II, and must be filed with the Board within four months from the date upon which notice of the decision by the Appeals Council is mailed to the appellant at the address furnished by him. As used herein, a month shall be considered to have elapsed between any date and the date corresponding thereto in the next succeeding month.

3. The right to further review of a decision of the Appeals Council shall be forfeited unless formal final appeal is filed in the manner and within the time prescribed herein.

4. Upon final appeal to the Board, no additional evidence shall be received. In the event that the appellant shows that he is ready to present further material evidence, which for any reason he was not able to present to the Appeals Council, the claim shall be referred back to the Appeals Council for presentation of the further evidence. Upon receipt of such further evidence the Appeals Council shall transmit to the Board a transcript thereof together with its recommendation to the Board for final decision.

5. The decision of the Board shall be made upon the record of evidence and argument which has been made in the handling of the case before final appeal to the Board. Further argument will not be permitted except upon a showing by the appellant that he has arguments to present which for valid reasons he was unable to present at an earlier stage, and in cases where the Board requests further elaboration of the appellant's arguments. In such cases, the further argument shall be submitted orally or in writing, as the Board may indicate in each case, and shall be subject to such restrictions as to form, subject matter, length and time as the Board may indicate to the appellant.

IV. EFFECTIVE DATE OF THESE REGULATIONS AND APPLICATION THEREOF TO DECISIONS MADE PRIOR TO SUCH DATE

1. The effective date of these regulations shall be February 1, 1938.

2. All decisions upon applications for annuities or death benefits made by the Board prior to the effective date of these regulations shall be subject to review and reconsideration under these regulations, and for such purpose any such decision shall constitute an initial decision by the Claims Service as that term is used in these regulations.

3. For the purpose of applying the several limitations of time contained in these regulations, every decision made prior to the effective date of these regulations, by the Board or by the Claims Service, upon any application for annuity or death benefits, shall be considered to have been mailed to the applicant on the effective date of these regulations.

By direction of the Board:

[SEAL] R. B. BRONSON, *Secretary.*

JANUARY 17, 1938.

[F. R. Doc. 38-189; Filed, January 19, 1938; 9:35 a. m.]

SECURITIES AND EXCHANGE COMMISSION.

United States of America—Before the Securities and Exchange Commission

At a regular session of the Securities and Exchange Commission held at its office in the City of Washington, D. C., on the 17th day of January, A. D. 1938.

[File No. 43-97]

IN THE MATTER OF THE APPLICATION OF THE MISSION OIL COMPANY

ORDER DISMISSING DECLARATION

The Mission Oil Company, a registered holding company, having filed a declaration with this Commission, pursuant to Section 7 of the Public Utility Holding Company Act of 1935, regarding the issue and sale by Commerce Trust Company of Kansas City, Missouri, to the stockholders of declarant, of $911,865 principal amount of trustee certificates of beneficial interest in and to $911,865 principal amount of unsecured 4% promissory notes of Southwestern Development Company maturing July 1, 1943;

Notice and opportunity for hearing on said declaration having been duly given;[1] the record in this matter having been duly considered; the Commission having made appropriate findings of facts; and being of the opinion that a declaration regarding the issue and sale of such trustee certificates is not necessary under Section 7 of the Act;

It is ordered, That said declaration be and hereby is dismissed.

By the Commission.

[SEAL] FRANCIS P. BRASSOR, *Secretary.*

[F. R. Doc. 38-200; Filed, January 19, 1938; 12:28 p. m.]

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[1] 2 F. R. 3444 (DI).

United States of America—Before the Securities and Exchange Commission

At a regular session of the Securities and Exchange Commission, held at its office in the City of Washington, D. C., on the — day of January, A. D. 1938.

[File No. 2-1879]

IN THE MATTER OF TRENTON VALLEY DISTILLERS CORPORATION

STOP ORDER

This matter coming on to be heard by the Commission on the registration statement of registrant, Trenton Valley Distillers Corporation, a Michigan corporation, after confirmed telegraphic notice by the Commission to said registrant that it appears that said registration statement includes untrue statements of material facts and omits to state material facts required to be stated therein and omits to state material facts necessary to make the statements therein not misleading, and upon evidence received upon the allegations made in the notice of hearing duly served by the Commission on said registrant, and the Commission having duly considered the matter, and finding that said registration statement includes untrue statements of material facts and omits to state material facts required to be stated therein and material facts necessary to make the statements therein not misleading in Items 19, 20, 25, 28, 29, 31, 34, 35, 36 and 39 and in the prospectus, all as more fully set forth in the Commission's Findings of Fact and Opinion this day issued, and the registrant having consented to the issuance of this order, and the Commission being now fully advised in the premises,

It is ordered, Pursuant to Section 8 (d) of the Securities Act of 1933, as amended, that the effectiveness of the registration statement filed by Trenton Valley Distillers Corporation, a Michigan corporation, be and the same hereby is suspended.

By direction of the Commission.

[SEAL] FRANCIS P. BRASSOR, *Secretary.*

[F. R. Doc. 38-199; Filed, January 19, 1938; 12:28 p. m.]